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CONFORMED COPY: This document has not been compared with the original.

SANTA CLARA COUNTY RECORDER

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CALIFORNIA REGIONAL WAT

REC FEE

Recording Requested By:

Intel Corporation

3065 Bowers Avenue

Santa Clara, CA 95052-2508

MAY 15 1991

QUALITY CONTROL BOARD

When Recorded, Mail To:

California Regional Water Quality Control Board
San Francisco Bay Region
2101 Webster St, Suite 500
Oakland, CA 94612

COVENANT AND AGREEMENT

TO RESTRICT USE OF PROPERTY

This Covenant and Agreement ("Covenant") is made
as of thelst day of, 1991 by, Intel
Corporation ("Covenantor"), which is the owner of record of
certain property situated in the city of Santa Clara, County
of Santa Clara, State of California, described in Exhibit
"A" attached hereto and incorporated herein by this
reference ("the Property") for the benefit of the Property

and the California Regional Water Quality Control Board, San Francisco Bay Region (the "Regional Board"), with reference to the following facts:

- A. The Property is located at: 2880 Northwestern Parkway, Santa Clara, CA 95052-8122, and is commonly referred as SC3.
- B. The site is on the National Priorities List (NPL) and is regulated by Regional Board Orders, as indicated herein:

a.	October 15, 1984	Site proposed for the NPL.
b.	March 19, 1986	Regional Board adopted NPDES
		Permit No. CA0028941, for the
		discharge of treated
		groundwater.
C.	June, 1986	Site added to the final NPL.
d.	April 19, 1989	Regional Board adopted Order
		No. 89-064 issuing Site
		Cleanup Requirements and
		approving the Remedial
		Investigation/Feasibility
		Study (RI/FS) workplan.
e.	July 18, 1990	Regional Board adopted Order
		No. 90-105 issuing final Site

Cleanup Requirements and approving the Remedial Action Plan.

- Agreement and the South Bay Ground Water Contamination
 Enforcement Agreement, entered into on May 2, 1985 (as
 subsequently amended) by the Regional Board, the U.S.
 Environmental Protection Agency and the California
 Department of Health Services, the Regional Board has been acting as the lead regulatory agency. The Regional Board
 will continue to regulate the discharger's remediation and administer enforcement actions under the federal
 Comprehensive Environmental Response, Compensation and
 Liability Act as amended, the California Water Code, Health and Safety Code, and regulations adopted there under.
- D. Covenantor installed monitoring wells to define the vertical and horizontal extent of the plume. As of November 1989, the oval shaped plume covers an area approximately 400 feet by 300 feet and the vertical extent of groundwater pollution in the A zone extends to a depth of approximately 27.5 feet from ground surface. Only trace levels of groundwater pollution have been found below this depth. As of November, 1989, Trichloroethylene (TCE), at a

maximum of 140 ppb, is the only pollutant found in the groundwater exceeding drinking water standards.

- E. No source of the groundwater pollution has ever been positively identified at the site. While positive identification of a pollution source has not been possible at SC3, by performing evaluations of potential sources, it has been possible to determine that there is no source continuing to contribute pollutants to SC3's existing groundwater pollution.
- F. Regional Board Order 90-105 requires Covenantor to implement a deed restriction prohibiting the use of A zone groundwater as a source of drinking water (90-105, Section C.2.b.)
- G. Covenantor desires and intends that use of the Property shall be subject to observance of the requirements stated herein.

Now, therefore, Covenantor and the Regional Board declare and agree as follows:

ARTICLE I

DEFINITIONS

- 1.01 Areas of Investigation. "Areas of Investigation" shall mean those areas on the Property investigated for the presence of chemicals and which will be remediated to the satisfaction of the Regional Board. These are depicted on the map attached as Exhibit B.
- 1.02 <u>Regional Board</u>. "Regional Board" shall mean the California Regional Water Quality Control Board, San Francisco Bay Region and shall include its successor agencies, if any.
- 1.03 Ground Water. "Ground Water" shall mean, pursuant to Title 22, California code of Regulations, Section 66079, Water below the land surface in a zone of saturation.
- 1.04 <u>Production Well</u>. "Production Well(s)" shall mean any well, boring or excavation that allows extraction of ground water from the "A" water bearing zone which zone exists above a depth of approximately 50 feet (approximately 10 feet below mean sea level) below 1989 ground surface.

- 1.05 <u>Improvements</u>. "Improvements" shall mean all buildings, roads, driveways, and paved parking areas, constructed or placed upon the Property.
- 1.06 Occupants. "Occupants" shall mean those persons entitled by ownership, leasehold, or other legal relationship to the exclusive right to occupy any portion of the property.
- 1.07 Owner. "Owner" shall mean the Covenantor or its successors in interest, including heirs and assigns, who hold fee simple title to all or any portion of the Property.
- 1.08 <u>Property</u>. The "Property" consists of the land described in Exhibit A.

ARTICLE II

ESTABLISHMENT OF RESTRICTIONS

2.01 <u>Provisions to Run with the Land</u>. This covenant sets forth and establishes a common scheme and plan for the use, enjoyment, conveyance, development, repair, maintenance and improvement of the Property, and establishes certain

protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, ground leased, sold, hypothecated, encumbered, and conveyed. Each and all of the Restrictions are declared to be in furtherance of a plan established for the purpose of enhancing and protecting the value, desirability and enjoyment of the Property. Each and all of the Restrictions shall run with the land, including any interest in the Property conveyed or reserved, and be for the benefit of and be binding on any interest conveyed or reserved, and all parties having or acquiring any right, title, interest or estate in the Property and any successors in interest Each and all of the Restrictions are imposed as equitable servitude upon the Property and on any portion thereof, for the benefit of the Property and the Regional Board and shall be enforceable solely by the Regional Board and any successor agency thereto.

2.02 Concurrence of Owners Presumed. All purchasers and ground lessees of the Property or any portion thereof shall be deemed by their purchase, leasing, or possession of all or any portion of the Property, to be in accord with the Restrictions and to agree for and among themselves, their heirs, successors, and assigns, and the agents, employees,

and ground lessees of such owners, heirs, successors, and assigns that the Restrictions shall be adhered to for the benefit of the Regional Board and the future owners and occupants of the Property and that their interest in the Property shall be subject to the Restrictions contained herein.

2.03 <u>Incorporation Into Deeds and Leases</u>. Covenantor covenants that the Restrictions shall be contained in each and all deeds and leases of any portion of the Property in accordance with Sections 1468, 1469, and 1470 of the California Civil Code, provided, however, that the right to enforce the Restrictions shall exist only in the Regional Board. In addition to any express provision required to comply with California Civil Code Section 1468, 1469 and 1470, the following statement shall appear:

This grant of interest in real property is
expressly made subject to the certain Covenant and
Agreement dated, and
recorded on, in the
Official Records of the county of Santa Clara,
State of California, as document No
which Covenant and Agreement imposes certain
covenants, conditions, and restriction on usage of
groundwater underlying the real property described

herein. The provisions of the Covenant and Agreement are incorporated herein and made a part hereof as if set forth in full. The only persons who have the right to enforce the Covenant and Agreement are the California Regional Water Quality Control Board, San Francisco Bay Region.

2.04 <u>Statement Regarding Hazard</u>. Nothing in this Covenant shall be construed as a statement, admission or declaration that any existing or potential health, environmental, or other hazard exists or will exist on the Property or on any portion of it.

ARTICLE III

DEVELOPMENT, USE, AND CCNVEYANCE OF THE PROPERTY

- 3.01 <u>Restrictions on Use</u>. Covenantor promises to restrict the use of the Property as follows:
- No production wells may be drilled on the Property without the express prior written approval of the Regional Board and any other agency with jurisdiction. Monitoring or other test wells are not subject to this provision, including: borings

for the purpose of testing soils; excavation for foundations, utilities or similar purposes; wells for monitoring the quality of groundwater; or, borings to define geology.

- 3.02 Conveyance of Property. Any person acquiring ownership of the Property, or any portion thereof, or entering into a ground lease as lessee of the Property, or any portion thereof, shall provide, within 30 days of any such purchase or ground lease, written notice of the purchase or ground lease to the Regional Board and to Covenantor at the addresses specified in paragraph 5.02. The Regional Board shall not by reason of the Covenant have authority to approve, disapprove, or otherwise affect any sale, lease, or other conveyance of the Property or of any portion of the Property. Notice is required hereunder only for the purpose of maintaining a current record of the Owners and ground lessees of the Property.
- 3.03 Enforcement. Failure of the Owner or Occupants to comply with any of the requirements, as set forth in paragraph 3.01 shall be grounds for the Regional Board, by reason of the Covenant, to require that the Owner or Occupant modify or remove any Improvements constructed in violation of that paragraph. Violation of the Covenant shall be grounds for the Regional Board to file civil and

criminal actions against the Owner as provided by law. This Covenant shall not create any private right of action against Covenantor or any Owner or Occupant of the Property or any portion thereof.

3.04 Extent of Covenantor's Obligations. Upon conveyance of all or any portion of the Property by deed, ground lease or other appropriate instrument, which conveyance instrument contains the provisions set forth in Paragraph 2.03, Covenantor shall be released from any and all obligations under this Covenant as to that portion of the Property which has been conveyed. At no time shall Covenantor have an obligation of any kind whatsoever to police or to enforce the observance of the covenants and restrictions contained herein by other Owners or Occupants of the Property or any portion thereof.

ARTICLE IV

VARIANCE AND TERMINATION

4.01 <u>Variance</u>. Any Owner or Occupant of the Property or any portion thereof, may apply to the Regional Board for a written variance from the provisions of this Covenant.

4.02 Termination. The Restrictions shall remain in full force and effect until groundwater cleanup standards have been achieved and pollutant levels have been stabilized in onsite aquifers in accordance with Regional Board Order 90-105, and/or subsequent orders. Any Owner or Occupant of the Property or a portion thereof, may apply to the Regional Board for an amendment or termination of the Restrictions as applied to that portion of the Property which is owned or ground leased by the Owner or Occupant. The Restrictions shall remain in full force and effect with respect to the Property and shall run with the land until such time as the Owner of the Property, or any portion thereof, records a release of the Property or a portion thereof from the provisions of the Restrictions. Any such release shall contain a sworn statement that the Owner of the Property to be released has demonstrated, to the written satisfaction of the Regional Board, that the Restrictions are no longer reasonably necessary to protect the public health or safety from any chemicals which may be located on the Property or that portion of the Property to be released from the Restrictions. In addition, any such release shall have attached an acknowledgement by the Regional Board that the statements contained in the release are correct. Any such release shall be effective without the concurrence of any other Owner of any portion of the Property, or any adjacent property.

4.03 Term. Unless terminated in accordance with paragraph 4.02 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE V

MISCELLANEOUS

- 5.01 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property or any portion thereof to the general public or for any purposes whatsoever.
- 5.02 Notices. Whenever any person shall desire to give or serve any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (i) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served or official of a government agency being served, or (ii) five (5) days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested, to Covenantor and the Regional Board at the following addresses or at such other addresses as

Covenantor or the Regional Board may designate in a written notice which shall be addressed and delivered personally or by certified mail to each of the then Owners and Occupants of the Property.

To:

Intel Corporation

3065 Bowers Avenue

Santa Clara, CA 95052-2508

COPY To:

California Regional Water Quality

Control Board

San Francisco Bay Region

2101 Webster St, Suite 500

Oakland, CA 94612

5.03 Partial Invalidity. If any portion of this Covenant is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion has not been included herein.

5.04 Article Headings. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not intended to aid in the meaning or interpretation of any part of the Covenant.

- 5.05 Recordation. This instrument shall be executed by Covenantor and by the Executive Officer, Regional Water Quality Control Board, San Francisco Bay Region. This instrument shall be recorded by Covenantor in the County of Santa Clara within ten (10) days of the date of full execution.
- 5.06 Statement of Compliance. Within twenty (20) days of receipt of a written request from any Owner or Occupant of a Property or any portion thereof, the Regional Board shall provide to such Owner or Occupant a written statement, substantially in the form attached hereto as Exhibit C, indicating whether to the Regional Board's knowledge such Owner or Occupant is operating in compliance with the provisions of this Covenant, and such confirmation shall be conclusive as of the date prepared.

IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

CALIFORNIA REGIONAL WATER

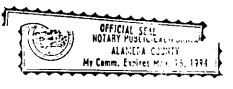
INTEL CORPORATION

QUALITY CONTROL BOARD,

SAN FRANCISCO BAY REGION

Ву:	4	4 the	Ву	Venn	Bly	_
Title:		TO CECET	Title:	Vice	President	_

STATE OF ____California COUNTY OF Alameda On this 30th day of __ July County, personally appeared Stevan Richard Rithchie реньюми какжаха мых or proved to me on the basis of satisfactory evidence to be the persons(s) whose name(s) is are subscribed to the within instrument, Witness my hand and official seal. executed the same. Notary Public in and for said County and State Remedios T. Deocampo OFFICIAL SEAL REALEDIOS T. DEOCAMPO
NOTARY PUBLIC-CALIFORNIA Name (Typed or Printed) ALAMEDA COUNTY My Comm. Expires May, 16, 1994 3403 IR9 8712



(This area for official notarial seal)

ARIZMA
STATE OF CALIFORNIA)
)
COUNTY OF MAYICOPA)
on <u>aug 13,</u> , 1991, before me,
the undersigned, a Notary Public in and for said state,
personally appeared Thomas Hogue, personally
known to me or proved to me on the basis of satisfactory
evidence to be the person who executed the within instrument
as a Vice President
of, a
Delaware corporation, on behalf of the
corporation, the corporation that executed the within
instrument, and acknowledged to me that such corporation
executed the same.
WITNESS my hand and official seal.
•
Denue Pasteruh

Notary Public in and for said County and State

My Commission Expires June 2, 1992

EXHIBIT A

SC 3 PROPERTY DESCRIPTION

VALLEY TITLE COMPANY 5276736 997 ME 232 PR-1492-B 216-28-65 Valley Title Company Cada Area 07-059 WHEN RECORDED MAIL TO APR 2 9 1976 LALLE Intel Corporation 3065 Bowers Avenue George A. Mann Registrar Recorder .raee232 Santa Clara, Calif. 95051 South Chro County, Official Beautie Corporation Grant Deedoo NOT RECORD STAME VALUE MAIL TAY STATEMENT TO Same as above. County Transfer Tax S ___ Equity_ __ Full Value City Conveyance Tex \$ N/A WEST BAY INDUSTRIAL CORPORATION, a California corporation ECOCOMPE don borney GRANT TO INTEL CORPORATION, a California corporation, the real present situate in the City of Santa Clara, unty al Sasta Clora, State of Colifernia, describ EXHIBIT "A" PARCEL I Parcel "A" as shown upon "Farcel Map being a Resubdivision of Parcel B of that certain 'Parcel Map' recorded in Book 353 of Haps at page 12", which Map was filed for record in the office of the Recorder of Santa Clara County, on Hovember 21, 1975 in Book 364 of Maps, at page 38. EXCEPTING THEREPRON that portion of said land dedicated on the Parcel Hap herein above referred to and known as Condensa Street. Reserving therefrom a non-exclusive casement for ingress and ogress evucthe westerly 13 feut of Parcel A above described. Also reisrving therefrom an easement for ingress and egress over that portion of Parcel "A" described as follows: Reginning at a point on the westerly line of that certain Cal de Sac known as Condensa Street which point bears South 89-43: 57" East from the Worthwest corner of said Parcel A 44.01 feet thence North 89-43: 57" Heat 44.01 feet to said Northwest corner thence South 89-43: 57" East to a point on the Southort Pline of the Cul us Sac known as Condensa Street, thence along the Southerly and westerly line or condensa Street in a westerly and northerly direction to the point of beginning. Together with a non-exclusive easement for ingress and egross 13 fact in vide lying Easterly of and continuous to the Westerly line of Parcel A described lying Easterly of and contiguous to the Westerly line of Parcel A desgribuit Agricultus compared Secretary 1 STATE OF CALIFORNIA COUNTY OF SANTA CLURY !!

19 76 before me the undersigned ...

Richard T. Peery

On Min 27th der et April

a Netery Public in and for said County and State personality appeared

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FOR LOUAL DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO AND HADE A PART HEREOF

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WEST B

STATE OF CALIFORNIA COUNTY OF SANTA CLARA

On the 27th day of April

THE STATE OF THE PARTY OF THE P

Notary Public
MAIL TAX STATELIENTS AS DIRECTED ABOVE
VIC. 1887

M.L. MEGINLEY

OFFICIAL STAL

<u>.</u>

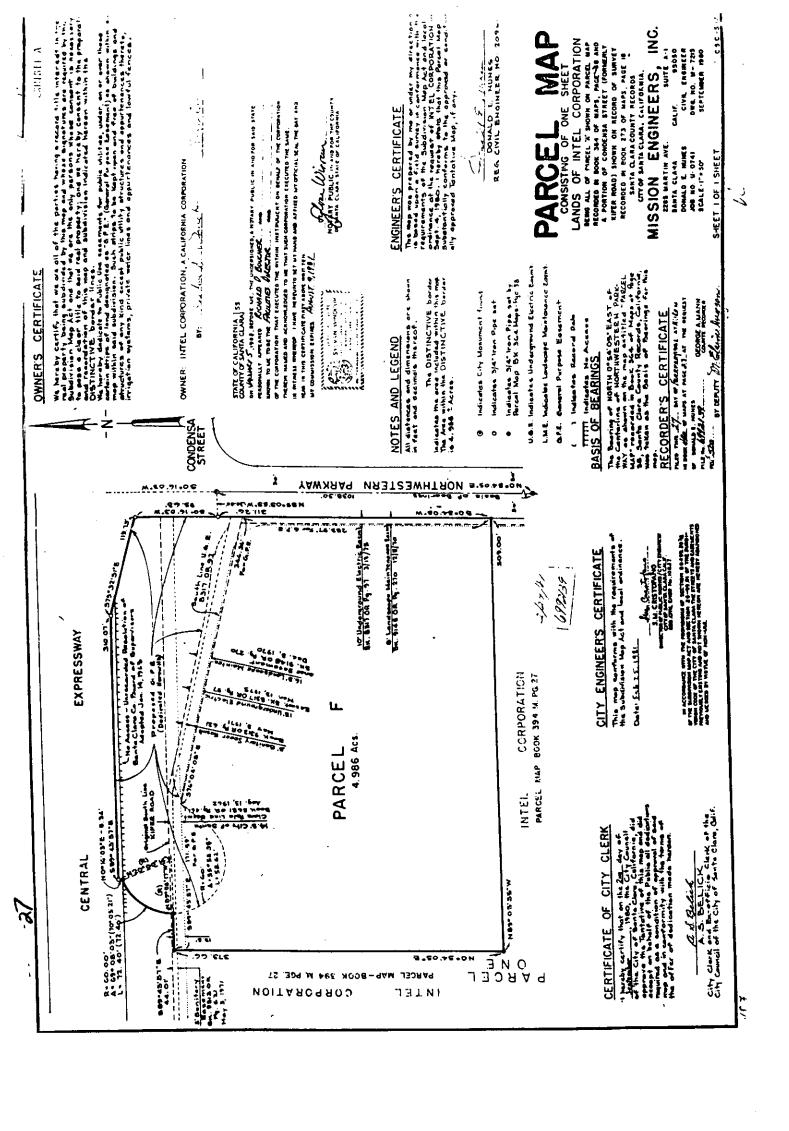


EXHIBIT B

SC 3 DISTRIBUTION, 8/17/90

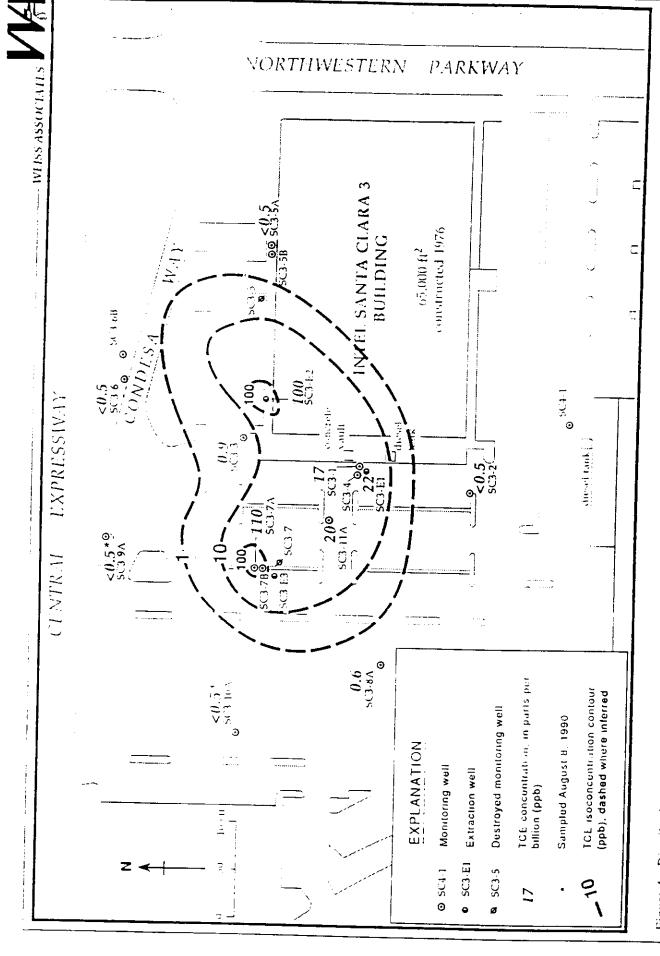


Figure 4. Distribution of TCE in the A Water-Bearing Zone - August 17, 1990 - Intel Santa Clara 3, Santa Clara, California

EXHIBIT C

Date
Dear:
This is to notify [Owner] in response to a request
dated made pursuant to that certain
Covenant and Agreement to Restrict Use of Property dated
(the "Covenant") and recorded in the official
Records of Santa Clara County at Page of Book
that the California Regional Water Quality Control Board,
San Francisco Bay Region (the "Regional Board") has no
knowledge of any failure of [Owner] to comply with the
provisions of the Covenant. [or Regional Board has
knowledge of the following facts:] In
providing this statement, the Regional Board has relied upon
review of its official records and has made no other
inquiries and has made no inspection of the Property owned
by [Owner].
CALIFORNIA REGIONAL WATER QUALITY CONTROL
BOARD, SAN FRANCISCO BAY REGION
By •